

STATE OF HAWAII REQUEST FOR SOLE SOURCE

TO: Chief Procurement Officer

FROM: DHS/Med-QUEST
(Department/Division/Agency)

Pursuant to §103D-306, HRS, and Subchapter 9, Chapter 3-122, HAR, the Department requests sole source approval to purchase the following:

Description of goods, services, or construction:

Application which hosts information on the coverage of prescription drugs under the Hawaii Medicaid program. Physicians, pharmacists and other medical professions will be able to access this information at no cost. The application also integrates with a peer-reviewed drug reference guide, which contains dosing, indications, drug-drug interaction checker, adverse events, manufacturer information and retail drug cost. Information on the Medicaid drug coverage may be downloaded to a handheld device such as a Palm.

Name of Vendor: ePocrates
Address: 1800 Gateway Drive
San Mateo, CA 94404

Cost: \$39,000 /year
(3-year term)

Term of Contract:

From: 03/01/04

To: 02/28/07

Prior Sole Source Reference No.:

UPON CPO APPROVAL, UP TO 36 MONTHS SUBJECT TO
THE AVAILABILITY OF FUNDS BEYOND THE INITIAL 12 MONTH PERIOD

The goods, services, or construction has the following unique features, characteristics, or capabilities:

This software has the largest physician and clinician handheld network and would provide the widest reach for the Hawaii Medicaid program. In the state of Hawaii, ePocrates has 1,200 clinical users, including 570 physicians (18%) actively using the software. This software is the only one that provides a range of formulary codes (e.g., multi-tiers, prior authorizations, quantity limits, age restrictions, etc.). The Hawaii Medicaid program uses all of these and more features to restrict the coverage of drugs. EPocrates is the only software that has the formulary and clinical features integrated into one application. In contrast, other vendors are in the development stage or are adding new features.

REQUEST FOR SOLE SOURCE (Cont.)

How the unique features, characteristics, or capabilities are essential for the agency to accomplish its work:

The Department determined that it would implement a PDL for drugs for which there are multiple brands available for the treatment of a particular diagnosis. Drugs not on the PDL will be subject to a prior authorization. The Department uses the Pharmacy and Therapeutics Committee (made up of physicians and pharmacists) to review the clinical effectiveness and cost of the drugs in the class, and recommend drugs for placement on the PDL. The Department intends to review and make determinations on 10 classes every two months until approximately 50 classes of drugs have been reviewed. This means that the pharmacists and physicians participating in the Medicaid program may have to change the drugs that are prescribed for their patients. The Department is seeking ways to provide information to physicians and pharmacists on the on-going changes.

The Department is limited in its resources to conduct outreach to the physicians and pharmacists. The Department sends memos to its providers outlining changes and posts the memos and other information on its website. However, many times, due to time constraints, the physicians and pharmacists do not read the memos or visit the website. ePocrates offers another vehicle to physicians and pharmacists to obtain information on the Medicaid pharmacy benefit through either the website and handheld devices. The software will also provide therapeutic and generic alternatives to drugs that are prior authorized. This should help to minimize phone calls to the fiscal agent, and improve patient care.

The following other possible sources for the goods, services, or construction were investigated but do not meet our needs because:

There are two other software vendors that provide similar services. Lexi-comp has a drug-drug interaction checker that is a separate application from the drug reference guide and formulary information. Additionally, this application is only available in hospitals. Medicaid needs a software application that is available in other locations as most physicians prescribing drugs are practicing outside of a hospital. I-Conn Health displays drug formularies, but does not have a drug reference application. It also lacks a handheld application (such as Palm) and costs individual users \$180 per year. EPocrates users will be able to access the Medicaid drug information for free.

Other states such as Alabama and Washington and the Department of Health and Human Services and the Department of Defense use ePocrates for the same type of hosting services. The HHS Pre-Solicitation Notice (January '03) recognized ePocrates as a sole source vendor as a result of its "...constant updating feature that ePocrates uses" and "...the volume of active healthcare users, as well as the particular distribution (primary care physicians, infectious disease specialists, emergency medicine physicians, emergency medical technicians, nurse practitioners) so critical to the HHS Health Alert Network."

Direct questions to: Brian Pang

Phone: 692-7956

I certify that the information provided above is to the best of my knowledge, true, correct and that the goods, services, or construction are available through only one source.


Department Head or Designee

3/23/04
Date

Title (If other than Department Head)

Chief Procurement Officer's comments:

Please ensure adherence to applicable administrative and statutory requirements.

Expenditure may be processed through a purchase order: Yes ☐ No ☒ If no, a contract must be executed and funds certified.

☒ APPROVED

☐ DISAPPROVED


Chief Procurement Officer

4/28/04
Date

STATE OF HAWAII NOTICE OF SOLE SOURCE

The Chief Procurement Officer is in the process of reviewing the request from the Department of Human Services—Med-
Quest for the sole source purchase of the following goods, services, or construction:

Application which hosts information on the coverage of prescription drugs under the Hawaii Medicaid program

Vendor: ePOCRATES

Address: 1800 GATEWAY DRIVE
SAN MATEO, CA 94404

Term of Contract:	From:	UPON CPO APPROVAL	To:	FEBRUARY 28, 2007	Cost: \$39,000.00
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Direct any inquiries to:

Department: HUMAN SERVICES-MEDQUEST

Contact Name/Title: BRIAN PANG

Address:

Phone Number:

(808) 692-7956

Fax Number:

A decorative horizontal line consisting of a series of small, dark, diamond-shaped patterns arranged in a slightly wavy, repeating sequence.

Date Notice Posted: MARCH 25, 2004

A copy of this notice of sole source shall be posted by the Chief Procurement Officer and the purchasing agency in an area accessible to the public, at least seven (7) calendar days prior to any approval action.

Submit written objections to this notice to issue a sole source contract within seven (7) calendar days from the date this notice was posted to:

Chief Procurement Officer

Office/Agency _____

Address _____